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UNITED STATES DEPARTMENT OF AGRICULTURE

Food Distribution Administration

Washington 25, D. C.

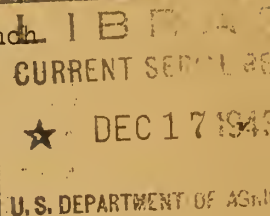
April 22, 1943

SPECIAL COMMODITIES BRANCH MEMORANDUM NO. 24

To: All Divisions and Sections, Special Commodities Branch

From: H. C. Albin, Chief, Special Commodities Branch

Subject: Preparation of Purchase Plans



In accordance with the instructions contained in Director's Memorandum No. 15, Supplement 5, a purchase plan must be prepared for each commodity subject to an allocation. For the benefit of those not having a copy of the above memorandum, the necessary items to be included in each purchase plan are listed below:

1. Commodity and total quantity allocated.
2. Quantity required to be purchased by FDA, including the Food Distribution Administration contingency reserve, and names of the programs of purchase.
3. Breakdown by claimant agencies (and contingency reserve) as to grade, types, packages, times of delivery, where specified.
4. Monthly delivery schedule (to FDA) of proposed acquisitions.
5. Method of purchase and need for the development and use of special aids, such as orders, rationing, financing, priorities, etc. (No purchase plan or action thereunder shall be withheld or delayed pending actual development of such orders, financing plan, etc.)
6. Recommended changes required to adjust supply situation to allocations, if any.

Purchase plans shall be prepared in an original and seven copies, each to be initialed by the Chief of the Division concerned and shall be forwarded to the Analysis and Reports Section for handling as follows:

1. Apply a Special Commodities Number to each plan in the order of its preparation.
2. Prepare a memorandum, for the signature of the Chief of the Branch, transmitting the copies of the plan as follows:

First and second copies to the Deputy Director in Charge of Procurement Coordination.

Third copy to the Deputy Director, Mr. Kitchen.

Fourth copy to the Program Liaison Division.

Fifth copy to the Transportation and Warehousing Branch.

Sixth copy to the Liaison Officer, Special Commodities Branch.

Seventh copy to be retained in the Commodity Division.

3. Forward all copies, together with transmittal, to the Office of the Chief of the Branch for the approval of the Assistant Chief and the signature of the Chief.
4. The original will be returned to the Analysis and Reports Section for recording and filing.

Subsequent instructions will be issued governing periodic reports to be prepared from the records of the Analysis and Reports Section. For the time being, no reports will be required, but the records of that Section shall be so devised that reports may be readily compiled showing the status of the plan and the progress of purchases thereunder.

In stating the quantity to be purchased by FDA, under Item 2 of the Purchase Plan, you are cautioned to include only that portion of the contingency reserve which is definitely stated in the allocation, or the Food Distribution Order governing the commodity, as a government held contingency reserve. This will ordinarily be shown in the allocation by means of a footnote.

There is no prescribed form for the presentation of Purchase Plans. However, for the sake of uniformity, there is attached a sample copy of Purchase Plan No. SC-1 and it is desirable that future Purchase Plans be presented similarly.

In addition to the purchase plans required in the above Director's Memorandum, the Deputy Director in Charge of Procurement Coordination has requested that we also provide plans for all commodities, whether allocated or not, for which we have a requirement. Where no allocation has been made, Item 1 of the purchase plan shall include, instead of "total quantity allocated", the word "none". Under Item 2, "Quantity to be purchased by FDA", shall be that quantity for which definite requirements are known plus an estimated contingency reserve. There is also attached a sample copy of a Purchase Plan for a non-allocated commodity.

(For Allocated Commodities)
(Sample Plan)

Special Commodities Branch

Purchase Plan No. _____

Commodity _____ (Name) _____

In accordance with Director's Memorandum No. 15, Supplement 5, and based on the Allocation made by the Secretary of Agriculture on April 10, 1943.

1. Commodity and total quantity allocated.

		(Name) (in pounds)				
		Jan. 1	April 1	July 1	Oct. 1	
		March 31	June 30	Sept. 30	Dec. 31	
Claimant	Total	Estimated				
	1943	Disappearance	Firm	Tentative	Tentative	
	1	2	3	4	5	
Total						
Allocation	720,000	150,000	161,166	218,444	299,257	

2. Quantity required to be purchased by Food Distribution Administration including the Contingency Reserve and names of the programs of purchase.

		April 1	July 1	Oct. 1	
		June 30	Sept. 30	Dec. 31	
		Firm	Tentative	Tentative	
Purchases required by					
Food Distribution Administration	22,070	21,000	6,720		

All quantities will be procured under "Inventory Activity" General Commodities Purchase Program.

3. Breakdown by Claimant Agencies (and Contingency Reserve) as to grade, types, packages, time of delivery, where specified.

		April 1	July 1	Oct. 1	
		June 30	Sept. 30	Dec. 31	
		Firm	Tentative	Tentative	
United Kingdom	Bulk		6,720		
	Pharmaceutical	6,720/1	2,756 2/	6,720	
Other Australia	Bulk				
British India	Bulk	350			
Russia	Bulk		8,960		
Poland	Pharmaceutical		2,564/2		
FDA Contingency	Bulk				
Reserve		15,000			
Total		22,070	21,000	6,720	

4. Monthly delivery schedule to FDA

Program	Quantity	Delivery Date
U. S. S. R.	1,200 gal.	April 15
	9,426 gal.	May 1
	37,380 gal.	May 30
U. S. A.	1,435 gal.	April 15
	650 gal.	May 15
	660 gal.	June 15
U. K. Admiralty	1,300 gal.	April 30
C. S. P.	12,000 gal.	May 15

5. Method of Purchase

Sufficient quantities of (Name) have been obtained through announcement method of purchase and no trouble is anticipated in securing additional quantities to take care of all requirements. A recent survey of the industry indicates an increase in production during the current year, and except for a possible container problem, both as to glass jars and wooden boxes, no serious difficulty is anticipated.

6. Recommendations

No changes are recommended at present in adjustment of supply situation.

Approved:

/s/ H. C. Albin

H. C. Albin, Chief
Special Commodities Branch

Date: April 24, 1943

Special Commodities Branch

Purchase Plan No. _____

Commodity _____ (Name) _____

1. Commodity and total quantity allocated.

(Name) -- None

2. Quantity required to be purchased by FDA including contingency reserve and name of Program of Purchase.

Calendar Year 1943

Name of Program	2nd Quarter	3rd Quarter	4th Quarter
Defense Aid Program	49,302 gal.	500 gal.	- -
Caribbean Supply Program	12,000 gal.	- -	- -
Cash Sales	2,745 gal.	2,500 gal.	2,500 gal.
Reserves	500 gal.	1,500 gal.	1,500 gal.
Total	64,547 gal.	4,500 gal.	4,000 gal.

3. Breakdown by claimant agencies and reserve as to quantity, packages and delivery.

Agency	April	May	June	July
U.S.S.R.	10,622 gal.	37,380 gal.	- -	- -
U.K. Admiralty	1,300 gal.	- -	- -	500 gal.
C.S.P.	- -	12,000 gal.		
W.S.A.	1,435 gal.	650 gal.	650 gal.	
Reserves			500 gal.	

For all programs except the CSP, the packaging of (Name) is in 1 gallon glass jars packed 4 to a case meeting FSC specifications. For the CSP Program, purchases have been made in 12 and 24 oz. bottles, packed according to FSC Specifications. However, future purchases will be made in 1 pt. and 1 qt. sizes to conform with commercial stocks. Purchase of 9,426 gallons specifies 250 grain, while the balance of purchases have been 50 grain according to U. S. P. Specifications.

/1. Deliveries are to be made as follows: 5,738 pounds UK, 126 pounds to Australia, 856 pounds to India. This is necessitated by an overdelivery during first quarter to UK which resulted in a shortage in deliveries to Australia and India.

/2. Tentative allocations which may be procured in the form of (Name)

All (Name) will be of the best quality, meeting the latest pertinent paragraphs of the United States Pharmacopoeia and of the Federal Food, Drug and Cosmetic Act, as amended, and of regulations issued pursuant thereto and in effect on dates of contracts. The product will be packaged in fibrepak drums and these drums over-cased with an outside shipping container suitable for export.

4. Monthly Delivery Schedule (to FDA) of Proposed Acquisitions.

Firm		Tentative							
April 15	May 15	June 15	July 15	Aug. 15	Sept. 15	Oct. 15	Nov. 15	Dec. 15	
2,600	10,722	8,748	6,720	4,480	4,480	2,240	2,240	2,240	

Quantities which may be procured during the period July-September in the form of (Name).

5. Method of Purchase and Need for Development and Use of Special Aids.

Under General Preference Order M-269 the War Production Board makes allocations of (Name) on a monthly basis deliverable on or before the 15th of the following month. Pursuant to such allocations negotiated contracts are made with suppliers as designated by the War Production Board.

6. Recommended Changes Required to Adjust Supply Situation to Allocations if any.

It is believed the supply is adequately controlled at the present time under the above mentioned order.

Approved:

/s/ H. C. Albin
H. C. Albin, Chief
Special Commodities Branch

Date: April 24, 1943